California Department of Education
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Sacramento, CA
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**Before the**
**Federal Communications Commission**
**Washington, D.C. 20554**

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| In the Matter of: | ) | |
| | ) | CC Docket No. 02-6 |
| Schools and Libraries Universal Service | ) | |
| Support Mechanism | ) | WC Docket No. 13-184 |

INITIAL COMMENTS BY
THE CALIFORNIA DEPARTMENT OF EDUCATION (CDE)
RELATED TO THE E-RATE 2.0 NOTICE OF PROPOSED RULEMAKING

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## Introduction and Summary

The California Department of Education, hereafter referred to as the CDE, commends the FCC and their work to make the E-rate program a success for California schools and libraries. The CDE recognizes the complicated nature of the program and supports the necessary changes needed to streamline the application, review, and approval process. We acknowledge the significant growth in demand for the program as our schools prepare for 21$^{st}$ Century learning; however, we have to remember that when the program was initially started in 1997, the funding level was based upon technology that included telephone dial-up access. The $2.3 billion program only began receiving cost of living adjustment (COLA) increases 3 years ago. With the demand (reaching almost $5B in 2013) far outpacing the available funding ($2.3B), it is time to revamp the program, and to increase its funding cap to ensure that classrooms continue to move toward 21$^{st}$ Century instruction and support the ConnectEd initiative.

### Overview of Response

In this document the CDE will offer comments on the 3 program goals listed in paragraph 12 of the Notice of Proposed Rule Making (NPRM). These are: (1) Ensuring schools and libraries have affordable access to 21$^{st}$ Century broadband that supports digital learning; (2) Maximizing the cost-effectiveness of E-rate funding; and (3) Streamlining the administration of the E-rate program and other sections which we feel have the greatest impact on our state. As the FCC moves forward with this NPRM, it is important to remain focused on the fact that E-rate is a successful program and that any changes to the E-rate program be focused on expanding a program that has yet to reach its full potential. The current program, while needing some updates to its structure, is most strained by increasing demand for E-rate-supported services and persistently low funding. Adequate funding is essential to improving the E-rate program. The single most effective step the FCC can take to bolster the success of the E-rate program is to provide funding in an amount that is sufficient to keep up with current demand and 21$^{st}$ Century classroom needs.

## Section II Goals and Measures

### Theme: Affordable Access

*17. The first goal of the E-rate program we propose to adopt is to ensure that schools and libraries have affordable access to 21$^{st}$ Century broadband that supports digital learning. As discussed above, the communications priorities of schools and libraries have shifted as they seek access to higher-speed connectivity and to allow students and teachers to take advantage of the rapidly expanding opportunities for interactive digital learning.*

*20. We seek comment on what performance measure or measures we should adopt to support our proposed goal of ensuring eligible schools and libraries have affordable access to high-capacity broadband at speeds that will support digital learning. We also seek comment on how best to perform the relevant measurements.*

*21. One of the primary measures of progress towards meeting this goal would be benchmarking the performance of schools' and libraries' broadband connections against specific speed targets. We also seek comment on other measures of the availability and affordability of high-capacity broadband to schools and the educational impact of high-capacity broadband in the classroom. We seek comment on whether these are the areas on which we should focus in measuring progress towards this goal. We also seek comment on how other network performance measurement efforts, including the Commission's own Measuring Broadband America Program,[1] should inform our consideration of how to measure network performance. Commenters are encouraged to propose any additional or alternative measures.*

**Response:** The dramatic increase in the use of devices on campus, and the anticipated continued growth of the same, will increase bandwidth usage. The future demand is unknown and as new technologies emerge, the quality, reliability, and speed of these connection needs to meet the demand placed upon them by educational end users. While students have access to the Internet at school, many do not have access at home. The Community Use Order in the FCC's Sixth Report and Order (2010) allows bandwidth usage beyond the school day for communities and represents a step forward in increasing access in areas that are underserved or not served entirely. Providing the bandwidth that our students need to utilize their 1-to-1 devices is a special challenge for our state's rural and remote regions.

School and Library sites need adequate bandwidth as their demand grows. If there is the desire by the FCC to know what bandwidth levels are used by applicants, in an applicant's second year of a multi-year Form 471, the applicant is asked to estimate their network utilization percentages. Collecting this information will help USAC document the value of the program and provide the data needed by the FCC to predict future bandwidth demands and costs.

## Theme: Education Impact Measurements

*40. Educational Impact Measurements. Is there a way to measure how success in the classroom is affected by access to E-rate funding or services supported by E-rate? Stakeholders have, in the past, raised concerns with attempts to correlate E-rate funding with educational outcomes. Critics claim that because classroom performance is affected by many factors, there are no reliable conclusions to be drawn. However, proponents believe that assessing the contribution of digital learning and E-rate funded connectivity towards student outcomes may guide schools in determining the bandwidth and usage of broadband that are most effective as well as provide us guidance in ensuring that universal service dollars are efficiently spent.*

**Response:** Broadband has become an essential tool for today's education, broadband connectivity allows for information access, videoconference content delivery, collaboration in real time, and global involvement. However, broadband connectivity on its own cannot determine classroom success and E-rate program success should not be tied to academic performance measures. Connectivity is one of many tools that are available to districts to support and improve instruction. In light of the many factors that will be influencing the outcomes, the causal relationship between broadband availability and academic outcomes would be tedious to document and only marginally reliable. The CDE disagrees that measuring the success of E-rate funding as a direct corollary in classroom outcomes and academic performance measures.

## Theme: Streamline the Administration

*45. We propose to adopt, as the third goal of the E-rate program, to streamline the administration of the E-rate program. The number of applications the Administrator, USAC, receives from schools and libraries seeking E-rate support is daunting. For example, in funding year 2013, at the close of the application filing window, USAC received 46,189 applications seeking an estimated $4.986 billion in support.[2] In some cases applicants request more in funding commitments than they actually use, and there is no requirement or incentive for applicants to notify USAC in a timely fashion that they have received funding commitments that they will not use. Moreover, the application and disbursement processes are complicated, so that many schools and libraries now feel compelled to spend money on E-rate consultants just to navigate the E-rate processes. Thus, it is essential that we continue to improve the E-rate program procedures and continue to simplify and streamline the program's application review and disbursement processes.*

*46. This goal therefore includes further streamlining and simplification of the application, review, commitment and disbursement processes, in order to make the most of E-rate funding and accelerate the delivery of support for high-capacity broadband at speeds that will support digital learning, while maintaining appropriate safeguards against waste and abuse.[3] We seek comment on this proposed goal. We are mindful that the Commission and USAC have a duty to protect against waste, fraud and abuse in the program and that the procedures intended to protect against waste, fraud and abuse can complicate and slow down program administration. Therefore, we also seek comment on ways to reconcile the need to simplify the program with the need to protect against waste, fraud and abuse.*

**Response:** Streamlining the application process is a necessity. The current program has fallen short in its effort to reduce paperwork. In too many cases, services are denied as the result of errors by either the applicant or by staff of the USAC. In the case of a denial of funding due to an error by the USAC, the

only recourse for the applicant district is to appeal the decision to the FCC. Improving the simplicity of the application submission, and of the application review process are all needed. Additionally, USAC should include transparency in the application process so that applicants have ready access to information concerning the stage of processing to which their application has progressed.

Much attention has been focused on the number of school districts who hire consultants to handle a school district's E-rate application, and on the amount of money paid to these firms. The expansion of services offered by E-rate consultants directly relates to the complexity of the program, and the severe consequences that flow from even minor clerical errors as the program exists today. Also, many small districts cannot afford to hire consultants to fill out their E-rate applications, making it not cost effective to apply.

## Theme: Performance Measures to Streamline Administration

*47. We seek comment on what performance measure or measures we should adopt to support the proposed goal of streamlining the administration of the E-rate program. In 2007, the Commission adopted certain output measurements for evaluating the effectiveness of the E-rate program related to the application and invoicing processes and the resolution of appeals submitted to USAC.[4] Specifically, the Commission required USAC to provide data, on a funding year basis by reporting the number of applications and funding request numbers (FRNs) submitted, rejected, and granted, and the processing time for applications and FRNs.[5] The Commission also required USAC to document the amount of time it takes to make a billed entity applicant reimbursement payment to the service provider, and the number of paid and rejected invoices.[6] Additionally, the Commission required USAC to determine the percentage of appeals resolved by USAC within 90 days from the date of appeal, and how long it takes to process 50 percent, 75 percent, and 100 percent of the pending appeals from the schools and libraries division.*

*49. Should we set goals for funding commitments by USAC to applicants as compared to actual disbursements by funding year? In addition, how should we ensure the administrative budget is appropriate for the program? Should we establish targets for the cost of administering the program compared to the program funds disbursed to recipients?[7] Should we measure the number of students and patrons served with E-rate funding over a specified period of time? If so, what should we compare the results to? For example, should we compare it to other federal programs that administer the disbursement of subsidies, such as other USF programs, the Broadband Technology Opportunities Program (BTOP) or educational grant programs?*

**Response**: The key to successfully transforming the E-rate program into a highly effective one is transparency. This transparency would offer an opportunity to shift the culture within the USAC administration toward one of consistency in the application approval process, and help ensure that applicants can monitor and seek support when needed throughout the approval and payment process.

A significant weakness of the E-rate program is the lack of a comprehensive, authoritative procedure manual, updated as changes in the program occur. Currently, USAC's annual PowerPoint presentation serves as the E-rate's procedure manual but is clearly inadequate to train and assist new and experienced applicants. In practice, applicants have to ask for guidance, act upon the guidance received, then be prepared to prove that they indeed received that guidance from USAC – often only to learn that the answer you received was not definitive and another staff member will answer the same question differently. The result in these scenarios is that applicants find their funding delayed or denied. A comprehensive, authoritative manual is a much-needed tool for a $2.3 billion program such as E-rate.

## Section III - Goal I:  Ensuring Schools and Libraries have affordable broadband

*57. The E-rate program currently provides eligible schools and libraries support for telecommunications services, telecommunications, Internet access, internal connections, and basic maintenance of internal connections.[8] Within those broad categories, there are specific types of services and products including, but not limited to, digital transmission services, Internet*

*access services, e-mail services, paging services and web hosting services that the Commission has found to be eligible for E-rate support. The Commission publishes an eligible services list (ESL) for each funding year for applicants to use as a tool in determining what services and products are eligible for E-rate support*

**58.** *In 1997, the Commission established an annual funding cap for the E-rate program of $2.25 billion at the recommendation of the Federal-State Joint Board on Universal Service.[9]  In adopting this cap at the start of the E-rate program, the Commission recognized that $2.25 billion was a projected amount of the cost of the needs of schools and libraries for eligible services, and that it might be necessary to adjust the cap to address changes in the program, technologies or the needs of the schools and libraries.*

**Response:** Total funding requests for the past 2 years have approached the $5 billion level, and we believe that this amount reflects an appropriate level of expenditures to meet the needs of school districts. The funding cap should be increased to $5 billion in order to meet the proposed goals of the Commission and the administration goals of ConnectED.

USAC's estimate of demand for Schools and Libraries Universal Service Support Mechanism discounts for Funding Year (FY) 2013 (July 1, 2013 to June 30, 2014) is $4.986 billion. This estimate is based on the total funds requested in 45,189 FCC Form 471 applications received or postmarked on or before March 14, 2013, the close of the FCC Form 471 filing window. The total estimated demand for FY 2013 of $4.986 billion decreased approximately $251 million (4.8 percent) from the estimated demand for FY 2012 of $5.237 billion. Estimated demand for Priority One funding (telecommunications services and Internet access) is $2.709 billion, an increase of 10.8 percent from last year's demand of $2.444 billion. Estimated demand for Priority 2 funding (internal connections other than basic maintenance and basic maintenance of internal connections) is $2.277 billion, a decrease of 18.5 percent from last year's amount of $2.793 billion. http://www.usac.org/_res/documents/sl/pdf/tools/news/FY2013-Demand-Estimate.pdf

**62.** *The E-rate program has traditionally been able to fund all priority one requests, but the total demand including priority two requests has exceeded the E-rate program's almost every year since the program's inception.[10]  In the early years, the E-rate program was able to fund a substantial percentage of the priority two requests that it received, but more recently, the vast majority of requests for priority two services have gone unfunded. Even with the Commission allowing USAC to carry forward unused funds from previous years in order to issue FCDLs in excess of the annual cap,[11] since funding year 2000, with one exception,[12] priority two funding has been available only for recipients where at least 50 percent of the students are eligible for free or reduced price school lunch.[13]  As a consequence, many schools and libraries do not know from one year to the next whether they will be eligible for priority two funds. In addition, this restriction on funding has also led to a disparity in commitments, with some of the largest urban school districts receiving as much as $190 per-student in any given funding year for priority two services, while smaller school districts across the country rarely receive such support.*

**Response:** Over its history, this program has funded a significant amount of infrastructure deployment. This infrastructure becomes even more critical as the schools around the nation transition to the digital delivery model. An important example is the new common core state standards and the online computer adaptive assessments. (SBAC & PARCC). Instruction and assessment will utilize media rich resources (video, interactive e-books, collaboration sites and media repositories) all available online and in some cases, hosted off the school premise. These services will be delivered online and will require additional investments in hardware and high capacity connections in order to meet the demands of this digital age of educational tools. The original intent of E-rate was to provide Internet access and the infrastructure to facilitate that access. In order to maintain the same spirit of guaranteed access, other components indirectly related to that access (i.e. web services, voice services) need to be reviewed, and at minimum placed into the Priority 2 category. It is our recommendation that USAC restructure funding priorities to retool the classrooms. An example of such restructure is as follows:

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**Priority 1:**
1. Internet Access
2. Broadband Data Access (i.e. 10 MB, 50 MB, 100 MB and greater per school site)
3. Internal Cabling and Electronics that Facilitate Internet Access to the classroom (WiFi)
(Cabling/Electronics for Wireless Access Points and teacher station. This can help conserve funds by limiting the number of locations that are eligible for cabling drops.)

**Priority 2:**
1. Voice Lines
2. Long Distance Services
3. Cell Services
4. Web hosting
5. E-mail, etc.

While we understand this may drive higher demands on the fund, USAC may implement a phase-in strategy by decreasing the discount percentage for applicants gradually in order to balance resources available versus demands. If applicants are guaranteed funding at least once every 5 years, this provides an opportunity for every school district to plan for infrastructure upkeep and receive support from the program.

*63. Unlike the limited amount of funding that has been available for priority two requests, E-rate funding has always been sufficient to meet priority one requests at every discount level. However, for the first time in E-rate program history, in funding year 2012, estimated demand for priority one funding alone exceeded the funding cap.[14] Trending upward, estimated demand for priority one funding for funding year 2013 is also above the cap at $2.709 billion, an increase of 10.8 percent from last year's demand of $2.444 billion.[15] We believe that the continued and growing demand for priority one funding is driven primarily by the need for higher bandwidth connections in schools and libraries especially as schools across the country move towards online assessments,[16] and schools and libraries increasingly are purchasing mobile connectivity. On May 16, 2013, the Wireline Competition Bureau (Bureau) announced that according to USAC's projections of demand and administrative expenses, $450 million in unused funds from previous funding years is available to carry forward to increase disbursements to schools and libraries.[17] The Bureau determined that this amount will be carried forward to ensure funding is available for all eligible priority one funding requests received from schools and libraries in funding year 2013, in excess of the annual cap.[18] While carry-forward funds may serve as a stopgap measure,[19] the trend in priority one demand indicates that, absent reforms, perhaps as soon as funding year 2014,[20] the ability to fund priority one request at all discount levels will be threatened.*

*64. Given that requests for E-rate support substantially exceeds available funding,[21] in this section of the NPRM, we seek comment on various options for modernizing the E-rate program to achieve our proposed goal of ensuring that schools and libraries have affordable access to high-capacity broadband. To the extent stakeholders believe that these options, along with measures discussed in other sections of this NPRM to increase the efficiency of E-rate funding, are insufficient to meet connectivity needs of schools and libraries, we also seek comment on other options to achieve the proposed goal of ensuring that schools and libraries have affordable access to high-capacity broadband services.*

**Response:** The most important element of E-rate is to ensure access to adequate network capacity for schools and libraries that meet the 21st Century demand for education. So in the prioritization of funding, and determining eligibility, the need for access to these on-line resources to the end user (student/teacher) must be met to the best of the ability of the program. This means that the wide area network (data lines), and Internet access are essential. The cabling and electronics to achieve wireless campus connectivity are equally important. It does not mean that the other traditionally eligible services and components are not as

important, but they may need to be looked at as secondary priorities to the higher priority items mentioned above.

*67. Technological architecture. We begin by seeking general comment on the most efficient technological architectures that schools and libraries are likely to use for connectivity. Are fiber connections generally the most cost effective and future-proof way to deliver high-capacity broadband to community anchor institutions like schools and libraries? Are other technologies, such as point-to-point microwave or coaxial cable, which are widely used to provide high-capacity broadband to schools and libraries today, also efficient and cost-effective ways to provide service as bandwidth demands increase?*

*68. Smaller schools and libraries may not need the bandwidth provided by fiber connectivity and, particularly for small rural and Tribal schools and libraries, fiber connectivity to the school or library may not currently be available in some areas, or requires the payment of very high up-front construction charges. For these schools and libraries, what are the most cost-effective ways to meet high-capacity broadband needs? Are there fixed wireless solutions that are cost-effective for such schools? Are there some schools where satellite connectivity is the only viable option?*

*69. How do schools generally purchase connectivity? As an all-inclusive service? Or do schools purchase long-term indefeasible rights of use (IRUs) in physical infrastructure separately from managed services?[22] What approaches are most efficient?*

*70. Fiber deployment. In the Schools and Libraries Sixth Report and Order, subject to certain limitations, the Commission added dark fiber to the list of services eligible for E-rate support.[23] We seek comment on how schools and libraries have incorporated dark fiber into their broadband deployment plans as the result of this change.*

*71. To further improve applicants' flexibility in finding cost effective ways to deploy high-capacity broadband, we propose to make our treatment of lit and dark fiber more consistent. The E-rate program currently supports the recurring costs of leasing lit and dark fiber as priority one services. When a school or library leases lit fiber, the modulating electronics necessary to light that fiber are included in the recurring supported cost of the service and are therefore funded as part of the priority one service. By contrast, a school or library that leases dark fiber will not receive priority one support for the modulating electronics necessary to light the dark fiber.[24] To eliminate this disparity, we propose to provide priority one support for the modulating electronics necessary to light leased dark fiber.*

**Response**: At this time, fiber connectivity is not an option for many small or rural schools and libraries in California due to the lack of infrastructure in remote locations. So there is not a "one-size-fits-all" solution that can be branded as the most effective technology architecture in the state of California (and other states). When rule changes permitted telecommunications providers to provision "dark" fiber to schools and districts as an eligible service, there was not a significant uptake in the provision of the new service for education because those same telecommunications providers are positioned to make significantly more money by providing turn-key services to include equipment and service (lit services) or the traditional leased telecommunications services.

While every applicant's situation will be different, the Commission should continue to support lit and dark fiber options. Applicants should be encouraged and incentivized to choose the best and most sustainable option available to them.

For rural locations that do not have geographic barriers for wireless solutions, those should continue to be eligible. Fiber type of technologies are the most desired approach, but for rural locations and where there are great distances between schools, carrier class wireless systems maybe the most cost effective approach at this time. We support an E-rate program moving forward that has a variety of broadband options that are eligible.

*77. If we prioritize some funding for new high-capacity broadband deployment should we be technology neutral or should we prioritize fiber connectivity over other types of broadband connectivity? Should we give schools flexibility to select the best technology that meets their needs? As discussed above there may be some schools and libraries, particularly small rural schools and libraries, where fiber deployment is either not necessary or simply cost-prohibitive.[116] How should we address the needs of schools and libraries in areas where fiber is far less likely to be offered or available, such as Tribal lands? Are there other solutions such as fixed wireless or cable solutions that would be sufficient today or in the future for meeting such schools' and*

*libraries' high-capacity broadband needs? Are there deployment costs associated with any of those technologies that should be supported by the E-rate program?*

*90. Above we seek comment on modifying our rules to ensure availability of the key products and services needed for high-capacity broadband connectivity to and within schools and libraries. We now seek comment on two approaches for streamlining the remainder of the ESL to focus support on high-capacity broadband. First, we propose to phase out support for a number of specific services, including outdated services currently on the ESL, for components of voice service, and seek comment on phasing out support for services that are not used primarily for educational purposes. Second, we seek comment on more fundamentally shifting the way we direct E-rate support to focus exclusively on high-capacity broadband connectivity to and within schools. In so doing, we seek comment on whether there are additional services for which we should phase out or reduce support, including traditional telephone services. Finally, we seek comment on a number of issues that will need to be addressed whichever approach we take.*

**Response:** We support the Commission's desire to modify its rules to allow for greater broadband deployment within its schools and libraries. Streamlining the Eligible Services List (ESL) will allow funds for broadband connectivity and infrastructure updates, but it will also aide in program simplification if ancillary services beyond basic access are no longer a part of the program. We support the immediate elimination of services that are not relevant today, such as paging and directory assistance, while transitioning others services that are still utilized, such as voice services, to the Priority 2 category. We also believe that there are currently eligible services on the ESL that go beyond basic and broadband conduit access to the Internet, such as web hosting and e-mail service. These compete for limited dollars and should be removed from the ESL. This removal does not necessarily mean that schools will not have no-cost or low-cost alternatives for email, etc. There are numerous schools throughout the nation that take advantage of Google and other companies free for education email, file storage services, etc.

*91. We recognize that flash-cuts to support in a funding year could be financially difficult for schools and libraries and therefore, throughout this section, we seek comment on phasing out support for services we remove from the ESL, rather than eliminating them immediately. We also seek comment on other changes we could make, such as assigning such services a different discount rate that would require applicants to pay for a greater share of those services than for services that we consider to be directly connected to the fundamental purpose of the E-rate program. We also seek comment on how to address bundling of supported services, including bundles that include services for which we phase out support.*

**Response:** Many schools and libraries may be under contracts which obligate them to continuing service which is currently E-rate eligible. We encourage the Commission to allow those contracts without any allowable extensions to be fulfilled with E-rate support at their current levels. Long term changes to discount rates received by districts need to be determined well in advance of the funding year in which the change occurs.

Specifically, changing the discount percentage (the amount that each applicant must contribute) for Priority 1 (data and Internet access) should remain the same, or only have minor discount changes. Given that the demand for all priorities is reaching almost $5 billion annually, it is understood that changes to the discount level for the Priority 2 services must occur based on this high demand. Therefore, for Priority 2 services, it may be necessary to cap the discount at 75 percent as the highest discount level. Additional analysis will be needed to determine the ideal maximum level of funding for the E-rate program given its Priority 1 demand.

*95. Components of voice service and supplemental services. We also propose to phase out funding for services that are simply components of voice service as well as those services, other than voice, that ride over or are supplemental to high-capacity broadband connections but are not necessary to make a broadband service functional. More specifically, we first propose to eliminate support for custom calling features, inside wiring maintenance plans, call blocking, 800 number services, and text messaging as components of voice services that may not serve educational purposes and do not further our proposed goals. USAC has estimated that it committed more than $85,000 for 800 number service in funding year 2011 and more than $75,000 for unbundled text messaging in funding year 2011.136 We seek comment on this proposal and we ask whether there are other such services for which we should no longer provide E-rate support?*

**Response:** In order to ensure that services which support instruction are paramount, we support a plan to move non-broadband types of voice services and other "ride over" services that are supplemental but not

fundamental to broadband service, to a Priority 2 level. The migration of existing Voice Services to a Priority 2 status should meet both program (funding) needs, and applicant needs. We feel that while these services are important and relevant in today's schools and libraries, with advance notice and appropriate planning, they could be transitioned to a secondary priority with relatively little harm.

*99. Educational purposes. In the Schools and Libraries Second Report and Order, the Commission determined that activities that are integral, immediate, and proximate to the education of students, or in the case of libraries, integral, immediate, and proximate to the provision of library services to library patrons, qualify as "educational purposes." The Schools and Libraries Second Report and Order also, however, provided a presumption that services provided on-campus serve an educational purpose. More recently, the Commission clarified educational purposes in Schools and Libraries Sixth Report and Order by requiring that schools must primarily use services funded under the E-rate program, in the first instance, for educational purposes.*

**Response:** We do not feel that anything additional must or should be done to define "educational purpose" under existing program rules. The Commission clarified the education purposes in the Sixth Report and Order and has determined that schools must primarily use services funded by E-rate for educational purposes.  With the changes made three years ago, we believe that there is already clarity.

*100. We seek comment on whether we should make changes to the E-rate program to ensure that supported services are, at a minimum, used for the core purpose of educating students and serving library patrons.  More specifically, we seek comment on whether we should allow a school or library to seek E-rate support for services that will be used only by school and library staff, administrators, or board members. If school and library staff use the supported services in their role as educators and information providers but the services are inaccessible to students and library patrons, does this satisfy the statutory requirement that the support be used for educational purposes in 254(h)(1)(B) and that advanced telecommunications be enhanced for all classrooms and libraries in 254(h)(2)(A)?145 Should E-rate funds be provided if school and library staff use such services only for administrative or other purposes not directly tied to education? If funds are provided for administrative or other purposes not directly tied to education, should they have a lower priority than funds provided for the core purpose of serving students and library patrons? Alternatively or additionally, should we stop providing E-rate support for services to non-instructional buildings, such as bus garages? If so, how should we treat non-instructional buildings, such as technology centers, that support E-rate supported services? Are there some administrative functions such as parent-teacher communication that should always be considered as primarily serving an educational purpose? Or, even if there are services that further the educational mission of the school, is it now no longer realistic to support all of these services within our budget since funding is always limited? We invite commenters to distinguish between and among E-rate supported services when responding to these questions. For example, do commenters think we should take a different approach when it comes to Internet access services as opposed to basic voice services? What changes to the E-rate program would be necessary, such as changes to our rules or required program certifications, if we were to limit E-rate funding to services directly available, at least in part, to students and patrons?146 Would placing limits on funding for services that are not directly available to students or patrons be too difficult to monitor or audit or raise cost-allocation challenges? Commenters should be specific in their proposals.*

**Response:** The CDE believes all work being undertaken by students and teachers is important and should use technology to promote efficiency and quality of service. Activities and efforts that support the instructional use of technology should be E-rate eligible. Access to high-speed broadband is the key for modern teaching by school and library staff members. Non-instructional centers that support schools and libraries should continue to be eligible so that activities undertaken by all staff employed by schools and libraries are eligible for the discounts.

*101. Basic maintenance of internal connections (BMIC). We seek comment on phasing out funding for BMIC. For funding year 2011, USAC committed nearly $125 million for BMIC.147 We previously sought comment on modifying our approach to funding for BMIC, and now seek to refresh the record.148 We recognize that maintenance in some form is necessary for broadband and other supported services to remain available to schools and libraries. However, under our current rules which fund BMIC as a priority two service, the same high-discount school districts receive more than ample funding for basic maintenance each year, while other needy schools and school districts have received no priority two support for increasingly important and necessary internal connections. Additionally, it is especially difficult for USAC to monitor compliance with rules regarding BMIC, and BMIC may therefore be more susceptible to abuse than other funded services. We therefore seek comment on whether to amend section 54.502 of our rules by deleting subsection (a)(2) and removing all other references to basic maintenance services.149 We also seek comment on whether there are other provisions of our rules that need to be amended if we phase out support for BMIC.*

**Response:** Basic Maintenance of Internal Connections (BMIC) and other services should be accessible to all schools and libraries. There is a growing need for infrastructure to support the increased broadband

capacity necessary for 21st Century instruction and assessment. It is important that funding for Internal Connections, Broadband Access, and maintenance of those connections be continued. Basic Maintenance of Internal Connections is currently available to only a few high discount applicants which could result in abuse of program. The need for basic maintenance is critical, however there has to be funding for it once the funding increase has been determined for the overall program. Then it could be determined how much will be available for basic maintenance. Given the program demand, it is also noted that the maximum amount of discount level for basic maintenance will need a cap below the current level of 90%. There are some recommendations that state 75% should be the maximum. More analysis is needed to determine this maximum level.

*103. In addition to the specific services identified above, we seek comment on whether we should more fundamentally shift the way we prioritize E-rate support to emphasize and accelerate high-capacity broadband connectivity to and within schools and libraries. In particular, we seek comment on whether we should seek to identify the services currently on the ESL – plus any additional services – that are essential for high-capacity broadband connectivity, and limit the ESL to just those services. What services, in addition to those identified above, should we remove from eligibility under this approach? Would taking this approach help ensure that schools and libraries have the bandwidth necessary to support digital learning?*

*115. To help address high demand for E-rate funding and to ensure equitable access to limited E-rate funds, we seek comment on revisions to the way E-rate funding is currently distributed. As explained in more detail above, under current program rules, eligible applicants must contribute between 10 and 80 percent of the cost of the supported service. The discount available to a particular school is determined by the percentage of student enrollment that is eligible for a free or reduced price lunch under the NSLP or a federally-approved alternative mechanism, such as a survey. A library's discount percentage is based on the discount rate of the public school district in which the library is physically located. Schools and libraries located in rural areas also may receive an additional 5 to 10 percent discount compared to urban areas. The rules provide a matrix, produced above in Figure 1, reflecting both a school's urban or rural status and the percentage of its students eligible for the school lunch program to establish a school's discount rate, ranging from 20 percent to 90 percent, to be applied to eligible services.*
*116. Below we seek comment on six options for revising the structure for distributing funds under the E-rate program by: (1) revising the discount matrix to increase certain applicants' matching requirements; (2) providing support on a district-wide basis; (3) revising our approach to supporting rural schools and libraries; (4) incorporating a per-student or per-building cap on funding into the discount matrix; (5) providing more equitable access to priority two funding; and (6) allocating funds to all eligible schools and libraries up front. These options are not necessarily exclusive of one another and we encourage interested parties to address comprehensively the various proposals, particularly if aspects of one are in tension with another. We also ask that parties consider the impact of changes to the discount matrix on libraries, and we seek comment on what particular challenges libraries will face if we change the discount matrix.*

**Response**: It is important to note that relying on a per student funding model will not have a positive result for rural, remote and sparsely populated areas. If the "business case" could be made by the telecommunications providers to serve (and build infrastructure) in these areas, the service would exist already. It does not because the size of the market doesn't support the investment. If the FCC doesn't want to exacerbate the digital divide in hard-to-serve areas, it cannot resort to a per student or per school site funding model. Specifically our view of these issues can be summarized below:

## **Funding & Discounts:**

- The funding model should not be changed to a per-pupil or per-site allocation; or any upfront type of funding model. The program has been very successful with a "Needs" based request. In addition, it can be audited with this approach with vendor invoices, etc. We feel that the discount matrix should be revised to increase certain applicant's matching requirements for Priority 1 and Priority 2 services. We feel all applicants at some point in a 5 year cycle will have access to Priority 2 funds. [Note: For the Priority 2, in order for equity of access to these funds there will be the need to 1. Potentially have the highest discount level at 75%, and 2. Funding all applicants over a 5 years period starting with the highest level discount of 75%, and ending with the lowest discount level of 20% on the 5th year. This approach to funding Priority 2 has been described by some national E-rate groups as "Discount Bands" please refer to State E-rate Coordinators Alliance's (SECA's) Comments].
- We recommend that the Commission revise the program, by streamlining the application process and raising the funding cap, to make access to Priority 2 Internal Connections funding available at least once every 5 years. (see other comments about funding in bands)

- We support funding on a district-wide basis as opposed to a school site basis.
- We recommend that the Commission maintain a distinction between urban and rural locations.

*117. To have sufficient funds to meet applicants' needs for high-capacity broadband and equitably distribute funding across schools and libraries, we seek comment on whether we should gradually increase, over time, the minimum percentage of matching funds that E-rate applicants must provide when seeking support from the E-rate program. We seek comment on whether this would better serve – on a cost benefit basis – our statutory mandate to "ensure affordable access to and use of" E-rate services.[25] We also seek comment on other possible changes to the discount matrix.*

*122. We anticipate several advantages to increasing the matching requirement even if we do so over time. For example, requiring the schools and libraries with the highest discount rate to pay for a greater share of their purchases could help drive down the purchase price for E-rate supported services. Applicants receiving substantial (80-90 percent) discounts have greatly reduced incentives to ensure they are receiving the lowest priced services or that they are getting only services they need. We also seek comment on the other benefits, as well as the drawbacks, to increasing schools' and libraries' minimum matching requirement for E-rate supported services.*

*126. We seek comment on requiring all schools within a school district to submit applications by school district, rather than by individual school or groups of schools within the same discount, and to use the average discount rate for the entire school district rather than the weighted average for each school building. We also seek comment on whether all libraries located within a school district should use the school district's discount rate when calculating their discount rate.*

**Response:** The CDE supports the requirement that all schools and libraries within a school district submit applications at the district level and use the average discount rate for the entire district. This will help to reduce the complexity of the program, and make the demand on the program more predictable. There have been proposals to help with equity of access to E-rate funds for Priority 2 applications. By using the district's average discount rate, it would allow USAC to potentially fund Priority 2 applicants in "Bands" of discount percentages. This would result in greater predictability for the applicant related to when they may receive their Priority 2 funding.

To address the question of changing the discount matrix for districts to have to contribute more toward their E-rate funding, i.e. highest discount to be 75% for P2 while P1 remains at 90%. This has immediate appeal from an E-rate funding perspective, and also requires districts and libraries to demonstrate commitment to securing the services requested. However, just as mentioned before, if this is done, districts need a planning period. In addition, our small rural districts would have great difficulty meeting the higher matching requirement. If the matrix is changed, USAC is encouraged to establish that NEW Priority 2 discounts do not exceed the 75% discount level. For the new Priority 1 services, it should remain at 90% discount level, especially for rural schools and libraries. There remain a significant number of schools nationwide and in California that do not have Internet and local infrastructure to support ConnectEd initiatives, or adaptive testing (i.e. SBAC & PARCC). Studies from the LEADS Commission, Education Superhighway, and others point to the gaps in our infrastructure for schools and libraries across the nation.

*129. Accordingly, we propose to revise section 54.505(b) of the E-rate rules to read: School districts shall calculate discounts on supported services described in § 54.502(b) by calculating a single discount percentage rate for the entire school district by dividing the total number of students eligible for the National School Lunch Program within the school district by the total number of students within the school district. This single discount percentage rate shall then be applied to the discount matrix to set a discount rate for the supported services purchased by all schools within the school district.*

*We seek comment on this proposed rule. We also seek comment on whether we should define "school district" for purposes of this proposal.*

*135. In this section, we seek comment on whether we should impose a per-student or per-building budget, or similar limits, on funding for schools and libraries. Building on a recommendation of the 2003 USAC Task Force, Funds for Learning, an E-rate consultant that has analyzed USAC's data, has argued that appropriately-structured budgets on a per-student or per-building basis could lead to more equitable and predictable distribution of E-rate funds by limiting the funding that is allocated to a small number of high-spending applicants. According to Funds for Learning, 2012 funding requests averaged $44.30 per-student for priority one services across all applicants, but more than 10 percent of applicants sought funding of at least $180 per-student for priority one services.201 Notably, four school districts in the nation's largest cities requested at least $240 per-student, and more than a dozen other applicants sought over $1,000 per student in total support in funding year 2012.*

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**Response:** We do not think that per-pupil funding will meet the needs of applicants since broadband costs are diverse nationwide. For example, in California, we have T1 circuits that cost approximately $1,800 per month in a rural area (with 12 students), and another urban area it costs $179 per month (200 students). With a per pupil approach, there will always be an inequity of access. The current NEEDS based system approach with E-rate helps ensure equity of access issues are resolved for all schools that apply for E-rate.

*140. We realize that anything but a very high per-student limit could prevent the smallest schools and particularly those in remote areas of the country, such as schools on Tribal lands, from affording supported services. Is this an argument for using per-building caps for certain types of services instead? As we did in the E-rate Broadband NPRM, we also seek comment on whether there should be a minimum amount of E-rate support for which a school, library, or school district is eligible, irrespective of the number of students, and what it should be. If a minimum amount is established, how should we compute that minimum? Should we provide for different limits depending on the number of students at a school or in a school district? If so, what should those limits be? We also repeat our question about whether any limit should permit additional funding for rural applicants, either by establishing a higher limit for rural applicants or through some other mechanism.*

**Response**: We do not think that per-pupil allocations should be used; we agree with the statement that the smallest and most remote locations could be harmed unless a very high per-student limit can be applied.

*146. Eliminating the distinction between priority one and priority two. Other commenters appear to support replacing the current prioritization system with a "whole networks" approach, under which connectivity to schools and internal connections are funded together and all eligible services are given equal priority.[26] Commenters argue that this approach would give schools the flexibility to focus E-rate funding on those portions of their network where upgrades are most needed -- whether connection to the schools or internal connections. It could also eliminate incentives for vendors to re-characterize priority two services as priority one, or for schools to purchase more expensive priority one services – like cellular data connections– in lieu of cheaper priority two services, like internal wireless connections.*

*149. In this section, we seek comment on a more fundamental approach to changing the distribution of E-rate funding. Under this approach, we would eliminate the discount matrix and the priority system; instead, each eligible applicant would receive a fixed budget at the beginning of the funding year to spend on any eligible services of their choosing. In contrast to the existing system, whether or not a school or library receives funding would be determined at the beginning of the funding year; thus applicants could know the amount of funding available before committing to any particular project. We seek comment on this approach. We seek comment on the costs and benefits of this approach, how this approach would impact other proposals we have discussed herein, and whether it would further our proposed goals.*

**Response:** We do not support this approach to distribute E-rate funding, as we do not believe that a per-pupil allocation takes into consideration the differences in our communities and schools. The current approach used to distribute E-rate funding is working well. It has worked well by acknowledging the differences in economy and location. We recommend that adjustments to the current system be made to improve upon it, rather than a transition to an entirely different method of allocation.

*173. Alternatively, we seek comment on whether a temporary increase in the E-rate cap is necessary to reach our goals and ensure high-capacity broadband connectivity to and within schools? If we were to authorize such a temporary increase, should we modify our rules to focus the temporary funds on providing services related solely on high-capacity broadband connectivity? What services should be eligible for support under such a short-term program? How much short-term funding would be needed to connect all or virtually all schools to infrastructure or other connectivity sufficient to meet their needs? How much short term funding, and over what period of time, would be needed to provide robust internal connections sufficient to take advantage of the high-capacity broadband connectivity to schools and libraries? Should any such funding be allocated using the generally applicable discount matrix, application process, timeline, and other rules, or should we consider modifications, for example to accelerate availability of funding for upgrades? If we consider a temporary increase in E-rate funding to upgrade school and library connections for digital learning, should we limit participation to only some category of applicants, such as only regional consortia?*

**Response:** We can support this suggestion if one time funding was provided by the program using the existing application process that would prepare schools and libraries to have the infrastructure necessary to accommodate the 100 Mbps connectivity they need. Schools and Libraries need to be prepared to make use of that connectivity once it enters the building this will require updating their Internal Connections.

Schools and libraries need to have the ability to maintain their Internal Connections by accessing Priority 2 funding for Internal Connections at least once every 5 years.  In this way, schools and libraries will be able to keep their infrastructure updated and relevant to the increasing bandwidth that is needed.

*174. Should we instead consider a more permanent change to the cap to achieve the goals of a modern E-rate program? When the Commission adopted the $2.25 billion cap 16 years ago, it recognized that it was a best efforts attempt to estimate what the demand would be for telecommunications and Internet access services by schools and libraries. Commenters advocating an increase in the cap emphasize that every funding year applicants have requested more than is available in E-rate support. They further argue that because of the effects of inflation and the growth in the number of students in our nation's schools, the actual purchasing power of the E-rate program declined by nearly one third from the start of the program in 1998 to today. We seek comment on these arguments.*

**Response:** The funding requests for the past 2 years have approached the $5 billion level and we believe that this $5 billion in funding requests reflects an appropriate cap in order to meet the proposed goals of the Commission and the administration's goals of the ConnectED initiative. Raising the cap to this level will be challenging. Nevertheless, we have to remember that when E-rate was started in 1997, the mode of on-line access was a mixture of non-broadband access, such as dial-up. We are now faced with the student and teacher need of robust, interactive learning tools. This type of service, as opposed to the access that met the needs in 1997, wholly supports the rationale of increasing the E-rate funding to a significantly higher level, i.e., $5 billion.


# Section IV Goal 2:  Maximizing the Cost Effectiveness of E-rate Funds


*193. Below we seek comment on ways to streamline the E-rate application process.  In line with that discussion, how can we minimize the reporting burden on schools and libraries while maximizing the insight the American public has into the spending of E-rate funds?  For example, schools report certain characteristics such as the number of classrooms connected on the current Form 471, but that information must be reported before a school has completed a project and before a school has even received a commitment of funding.  Could we reduce this burden by instead requiring the disclosure of relevant information (such as capacity leased or wireless access points purchased) on the back-end as part of the invoicing/payment validation process (perhaps as part of Form 486)?  Should we require such reporting in a standard format or allow or encourage a fuller description?  In short, can we simultaneously increase the transparency of E-rate spending while reducing the burden on applicants?*

**Response:** To request basic information on the end result of work completed by E-rate funds is a reasonable expectation. The specific forms, i.e., Form 472, will need to be reviewed to ensure that the data is being collected in a manner that benefits the overall reporting of the E-rate program. As mentioned in another area of our response, it is recommended that a focus group made up of State E-rate leads, and of small and large applicants, be formed to solve the detailed level of these new E-rate 2.0 changes.


# Section V Goal III: Streamlining the Administration of the E-rate Program

*224. We propose that streamlining the administration of the E-rate program should be the third goal of the program to address concerns about the complexity and associated burdens of the current E-rate application and associated review process. Applicants for E-rate funds are required to complete approximately six FCC forms over the course of a funding year.[27]  Some applicants spend many hours not only filling out FCC forms and gathering required data, but also responding to questions from USAC and requests for additional information, including documentation.[28]  As a result, many applicants feel the need to hire consultants to handle these tasks.  While consultant fees cannot be paid using E-rate funds, they are a cost to program participants, and therefore may reduce the net benefits that schools and libraries realize from participation in the E-rate program.*
*226. We therefore propose several options for streamlining the administration of the E-rate program while preserving critical safeguards.  These options include:  moving to electronic filing of all FCC forms and correspondence with USAC; increasing transparency throughout the application process; speeding review of applications and issuance of commitment decisions;*

simplifying the eligible services list (ESL) to focus on the service provided rather than the regulatory classification of the service; *recovery considerations when seeking reimbursement of previously disbursed E-rate funding; more effective disbursement of unused funds; improve invoicing and disbursement; and streamlining the E-rate appeals review process. We seek comment on our proposals below and any other ways in which we can further streamline the administrative processes, including the program integrity assurance (PIA) review process and the commitment and disbursement processes, to maximize the efficiency of the E-rate program.*

*229. SECA suggests that all of an applicant's forms and correspondence with USAC should be available from a centralized portal so the applicant can retrieve current and prior years' information to use as a starting point for new form submissions.287 SECA states that online functionality will conserve on data entry and problem resolution resources that USAC currently must utilize as well as customer service bureau inquiries.288 Facilitating access to previous applications will also make it easier for applicants to file forms that are similar to those of previous years and eliminate the duplicative requests for information during PIA review since all the requested information would be available online and available for review.289 We seek comment on SECA's proposal and any alternative ways to simplify the submission and receipt of FCC forms and other correspondence to USAC. Another way to increase E-rate program efficiencies is automate more of the processes for the program. In addition to requiring online filing, we seek comment on whether there are administrative processes in the program that could be automated and would also result in cost savings and efficiencies. What could be gained by increasing the amount of automated processes at USAC and how could this be best achieved? For example, would increased automation in the application process result in quicker commitment decisions? What aspects of this process lend themselves to automation? What are the ways that increased automation can lead to efficiencies and cost savings? What are the ways automation could reduce or eliminate improper payments? Commenters should be as specific as possible in their proposals.*

*233. We next seek comment on ways to reduce the time it takes USAC to review applications for E-rate support in order to more quickly release funding commitment decisions. Currently, applications can undergo a number of levels of review prior to release of funding commitment decisions.[29] We note that, in a recent report, GAO recommended that the Commission undertake a risk assessment of the E-rate program.[30] GAO noted that a risk assessment involving a critical examination of the program could help determine whether modifications to USAC's business practices and internal control structure are needed to appropriately address the risks identified and better align program resources to risks.[31] In addition, applicants have found that USAC's review process can become time-consuming and can significantly delay funding commitment decisions, particularly for state networks and consortia that may file numerous funding requests per funding year. At the same time, the Commission has directed USAC to ensure that funding is disbursed to eligible recipients for eligible services. For all the suggestions below, given that we must balance administrative efficiency with protecting against waste, fraud, and abuse, we also seek comment on how we should ensure that streamlining the application and disbursement process does not then result in an increase in improper payments.*

*All of the above paragraphs point to the issue that the USAC system for applicants needs to be overhauled to leverage current technologies available to make the USAC E-rate application process more accurate, timely, and more user friendly. There are significant time demands and issues for applicants related to the application process. The issues, "Gotchas," in the program escape attention because they rarely surface, and do not pass the test of reasonableness. Specifically, we have had applicants in our state denied due to only having an automated "generic" email response that their item 21 was received. When providing this to the Program Integrity Assurance (PIA), this was not proof enough, and caused funding that was desperately needed to be denied. Then the applicant has to go through a timely appeal process first to USAC, and then to the FCC when it is determined it is a rule requirement that was violated. However, it was a simple clerical oversight.*

**Response:** There is definitely a need to improve process in streamlining the applicant's workload, eligibility of services, and how the funding and payment structure takes place. The key to these changes will be a new E-rate application system that is flexible enough to change, and which will offer a portal for applicants as described in the NPRM and by other national groups. One specific recommendation is to utilize a single page form on which the applicant can confirm that the data from last year still applies since the district is in a multi-year contract. This single page can be submitted for USAC review. These changes that are needed will require a new system based on USAC's stated position that, with their current technology, they are only able to make 1-2 significant changes a year.

With the need to start from scratch with a new E-rate system once the NPRM is completed. It is encouraged that a focus group of State E-rate Leads, and small and large applicants be formed to provide guidance in the development of this system. This will help ensure that the new "Portal" system will be applicant-friendly.

Another key point of the portal will be to assist USAC's Program Integrity Assurance (PIA) team in their review process. A well-designed Portal system will help in the timely exchange of the appropriate information for both USAC and the applicant. Applicants throughout the program and in California have

significant delays in the decision on the funding of their application. Our state Education Network approval was well past the funding year that they had applied for (approximately 3-4 months into the new funding application cycle). These delays cause significant cash flow issues for applicants, and delays in implementation of technology that are critical for each school years planning and education. This portal system could also work to have a back end payment system that allows the applicant to approve payments to vendors, after a verification process of the services received.

*237. Further, for USAC to more quickly release funding commitment decisions, should we limit the number of opportunities applicants are given to respond to USAC's requests for documents and clarification? As part of its review, USAC routinely gives applicants additional time to provide missing or incomplete information to USAC during PIA review. When applicants' timely request an extension of time to submit documentation, USAC grants such extensions and gives applicants additional time to respond to their requests for information.302 The Commission has granted waivers of the E-rate rules providing applicants with additional time to submit documentation to USAC. These extensions of time*
*also delay USAC's application review process and ultimately hinder the prompt release of funding commitment decisions. We thus seek comment on whether to limit the number of opportunities and length of time that applicants have to submit complete information to USAC in response to USAC's requests. Commenter's should specifically indicate any potential problems that may arise if we reduce the window of opportunity and any concerns with modifying USAC's outreach to gain complete information to complete their review of pending FCC Form 471 applications.*

**Response:** We encourage the FCC to order USAC to continue issuing extensions when they are requested.  An extension gives the applicant two additional weeks of time during which they made need to speak with their service provider or other parties for verification. This additional two weeks can make the difference between responses being accurate or inaccurate which can affect the funding decision in a negative way. If so, the applicant would submit an appeal and extend the process unnecessarily, and also burden the appeal process and system with unnecessary appeals.

*242. Second, we seek comment on amending our rules to permit multi-year commitments in the E-rate program. In the Healthcare Connect Fund Order, we allowed applicants to request a funding commitment for a multi-year contract that covers up to three years of funding.309 Unlike the E-rate program, however, the universal service rural health care program is not currently oversubscribed, so it is more feasible for that program to issue multi-year commitments. Is this difference relevant to our handling of multi-year commitments? Should multi-year funding commitments in E-rate be conditional on the funds being available in subsequent years?*

**Response:** We encourage the adoption of rules that would allow USAC to make funding commitment decisions for a multi-year contract that covers up to five years of funding. One specific reason is that there are numerous remote school and library locations that need broadband connectivity. Telecommunication companies require a financial incentive to invest in infrastructure in remote communities. A five year term provides this incentive and helps ensure a payback to the telecommunication provider for their efforts in connecting this remote school or library.

In addition, the E-rate program needs to have financial predictability for applicants and vendors alike. With the new E-rate 2.0 there should be a level of certainty of funding for applicant services.  Without this, the credibility of the applicant and the entire E-rate program will be in question by vendors. This is definitely not the perception that E-rate 2.0 will desire moving forward. If the concern is locking in too high a price, applicants can be required to include a fair market pricing clause. This will allow the applicant to go out to bid in year 3 to insure pricing is fair and reasonable relative to current market prices.

The California Department of Education supports the Commission's efforts to modernize the E-rate program so that it can help address the current and future technology needs of our schools and libraries. We hope the Commission will move forward and adopt many of these improvements by the July 1, 2015, funding year.

If you have any questions or need more information about our comments to Modernizing the E-Rate Program for Schools and Libraries, WC Docket 13-184, please contact Erika Webb-Hughes, Federal Policy Liaison, by e-mail at ehughes@cde.ca.gov or by phone at 916-319-0650.

Respectfully submitted on behalf of,

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